

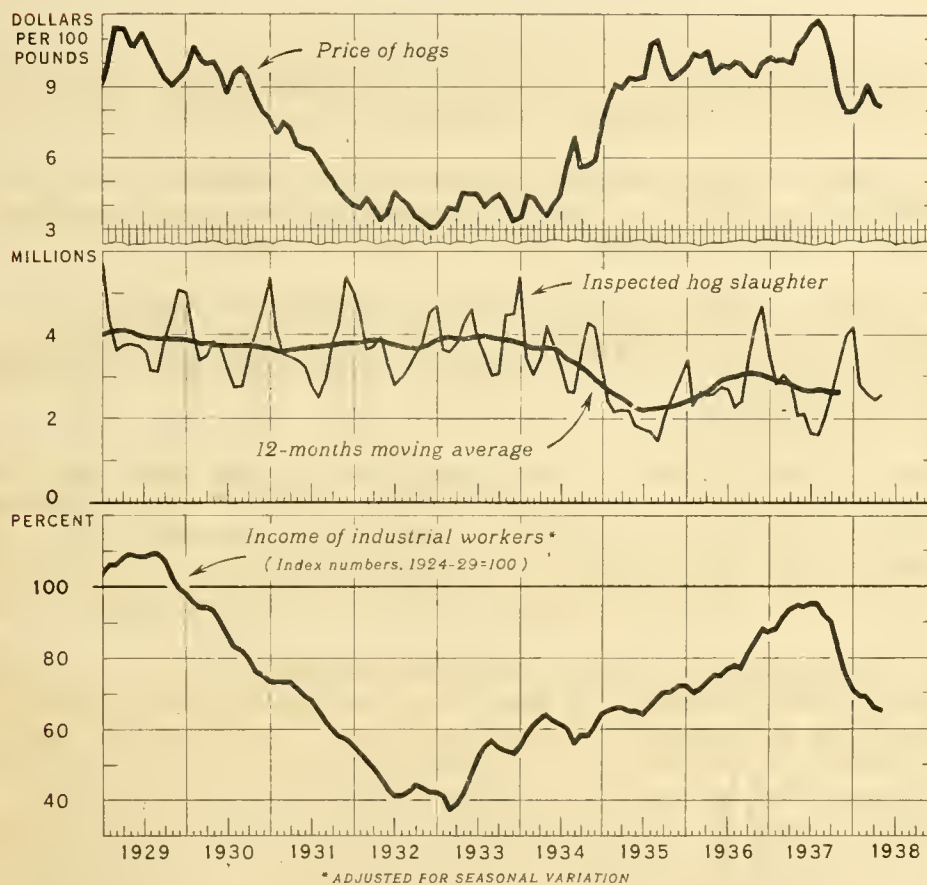
UNITED STATES DEPARTMENT OF AGRICULTURE
BUREAU OF AGRICULTURAL ECONOMICS
WASHINGTON

HS-21

JULY 18, 1938

THE HOG SITUATION

AVERAGE PRICE OF HOGS AT CHICAGO, FEDERALLY INSPECTED
SLAUGHTER OF HOGS, AND INCOME OF INDUSTRIAL
WORKERS, UNITED STATES, 1929-38



U.S. DEPARTMENT OF AGRICULTURE

NEG. 34437

BUREAU OF AGRICULTURAL ECONOMICS

THIS CHART SHOWS THE RELATIONSHIP OF CHANGES IN SLAUGHTER SUPPLIES OF HOGS AND CHANGES IN INCOMES OF CONSUMERS TO CHANGES IN HOG PRICES. THE LOWER LEVEL OF HOG PRICES THUS FAR IN 1938 HAS BEEN LARGELY THE RESULT OF THE DROP IN INCOMES OF CONSUMERS SINCE THE SUMMER OF 1937.

R E C E N T R E P O R T S

Of Interest to Livestock Economists and Producers

These reports are available upon
request to the
Bureau of Agricultural Economics
Washington, D.C.

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June 1 Pig Crop Report (Issued June 29) - - Estimates by States, of pigs saved and sows farrowed, spring and fall, for 1936, 1937, and 1938.

Livestock, Meats and Wool Market Statistics and Related Data - 1937
(Issued May 1938) - - The fifth annual statistical handbook.
Includes statistics for 1937 and earlier years.

Farm Production from Meat Animals, by States (Issued June 1938) - -
Contains the 1936 revised and 1937 preliminary estimates of inventory numbers of meat animals, production, farm disposition and marketings.

Disposition of Feed Grains, - Corn, Oats, Barley, and Grain Sorghums
(Issued June 1938) - - An historical series of tables showing estimates of farm disposition. The series on corn, oats, and barley cover the crops 1909 to 1936, inclusive; for feed grains, from 1919 to 1936, inclusive. The data are on a crop-year basis.

Shrinkage and Dressing Yields of Hogs (Issued June 1938) - - In brief, this printed bulletin by Knute Bjorka, Agricultural Economist, describes the extent to which hogs lose weight while being shipped to market. The publication, Technical Bulletin No. 621, contains numerous charts and tables of data analyzing shrinkage and dressing yields - - in relation to time in transit, to weight, to the season of shipment, and to the source of purchase. Shrinkage of hogs in transit may result from excretion or from loss in weight of tissue. It is the loss of actual tissue weight that causes the dressing yield of hogs to decrease. Tissue shrinkage, it was found, begins early in the period of transit and continues until hogs reach the plant where they are slaughtered. It occurs even though feed and water are given enroute, and is more rapid in light weight hogs than in hogs of heavier weight.

July 19, 1938

T H E H O G S I T U A T I O N- Summer Outlook Issue -
-----Summary

Supplies of hogs for market in the marketing year beginning next October probably will be materially larger than those of the present marketing year. The Bureau of Agricultural Economics says that the effect of these larger supplies upon hog prices for the year as a whole probably will be offset, at least in part, by improvement in the consumer demand for meats.

The spring pig crop was 13 percent larger than that of last year, and 9 percent more sows are indicated to farrow this fall than last. With the spring pig crop being marketed largely during the following winter and the fall crop during the following summer, it is expected that hog marketings in 1938-39 will be larger than a year earlier in both the winter and the summer seasons.

Slaughter supplies of hogs during the remainder of the present marketing year, up to October 1, will be larger than those of a year earlier, but this increase will be about offset by the reduction in storage stocks of pork and lard. Although marketings in the remainder of the summer will be larger than those of a year earlier, they probably will be seasonally smaller than in the late spring and early summer. Some further rise in hog prices may occur this summer, as marketings are seasonally reduced, but prices are not likely to reach the high level of last summer.

The fairly large seasonal increase in hog marketings expected from late summer to early winter may be relatively less than that which occurred from August through January last year when consumer and storage demand for hog products weakened considerably. Demand conditions this fall and winter probably will be much more stable, with some tendency for improvement. Consequently, it is probable that the seasonal decline in hog prices from late summer to early winter will be less than the sharp drop which occurred in that period last year.

The upswing in hog production this year is primarily a reflection of the abundant supplies of feed in most areas and the fact that corn prices have been low in relation to hog prices in the past 8 or 9 months. The larger pig crops this year, however, represent only a partial recovery from the effects of the severe droughts in 1934 and 1936. If feed crop production this year is as large as now seems likely, it is probable that there will be a further increase in the number of pigs raised in 1939.

REVIEW OF RECENT DEVELOPMENTS

BACKGROUND.- Thus far in the present marketing year, which ends September 30, the total live weight of hogs marketed has been about the same as that of a year earlier. Although the number of hogs marketed has been somewhat smaller, average weights have been heavier. Hog prices in the first 3 quarters of the current year (October through June) averaged considerably lower than in the same period last year, reflecting the less favorable consumer demand for meats than in 1936-37. After advancing last summer to the highest level in nearly a decade, hog prices declined sharply from mid-August to mid-December, as a result of a large seasonal increase in marketings, and weakness in consumer and storage demand for hog products. Prices advanced moderately from late January to early March and then declined until about mid-May.

Hog prices steady in June

After advancing in the last half of May prices of hogs were steady during June, and rose again in early July. For the first week of July the average price of butcher hogs at Chicago was about \$9.25, about \$1.35 higher than the average for the second week of May, before the advance began. The rise in the average price of all hogs sold at Chicago during this period, however, was only about one-half as much as the advance in the price of butcher hogs, since the proportion of packing sows in the market supplies has increased seasonally in recent weeks.

June slaughter much larger than year earlier

Inspected hog slaughter in June, totaling 2,533,000 head, was slightly smaller than that of May but about 20 percent larger than in June last year. In the first 9 months (October through June) of the current marketing year inspected slaughter amounted to about 27.2 million head compared with 28.9 in the corresponding period last year. The following table gives comparisons of numbers, weights and prices of hogs slaughtered under Federal inspection for several marketing years.

Number, weight and average price of hogs slaughtered under Federal inspection, October through June, average 1929-30 to 1933-34, annual, 1934-35 to 1937-38

Item	Unit	Average				
		1929-30 to 1933-34				
		1929-30	1934-35	1935-36	1936-37	1937-38
	Thou-					
Number	sands	36,369	25,847	23,673	28,878	27,188
Average live						
weight	Pounds	227.8	218.5	230.0	218.9	229.8
Total live						
weight	Mil.lb.	8,284	5,648	5,444	6,321	6,246
Average price....	Dollars	5.71	7.62	9.78	10.01	8.47
Total cost	Mil.dol.	473	430	532	633	529

July 1 storage stocks small

Storage holdings of pork were reduced seasonally during June, and on July 1, they totaled 417 million pounds, the smallest on that date in the 23 years of record. Stocks of lard showed very little seasonal increase during June, and the July 1 lard stocks were much smaller than those of a year earlier. The combined storage holdings of pork and lard on July 1 were smaller than those of a year earlier by about 220 million pounds. This quantity is roughly equivalent to the products obtainable from about 1,350,000 hogs of average market weight. The reduction in storage stocks probably will about offset the expected increase in slaughter supplies of hogs from July through September over a year earlier.

Storage holdings of pork and lard on the first of the month,
specified months

Month	5-year average					
	1929-30 to 1933-34		1936-37		1937-38	
	Pork	Lard	Pork	Lard	Pork	Lard
	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.
Oct.	530	109	362	102	283	73
Jan.	565	72	667	146	399	54
Apr.	731	105	756	217	544	121
June	722	128	664	194	451	124
July	713	150	578	185	1/417	1/126
1/ Preliminary						

At the beginning of the present marketing year last October, storage stocks of pork and lard were relatively small. Storage demand for hog products in the late fall and winter was relatively weak, and the accumulations of hog products in storage from October through April represented an unusually small proportion of the total dressed weight of hog slaughter during that period. This was in marked contrast to the relatively strong storage demand and the large accumulation of storage stocks in the winter season of the preceding year. The small accumulation of storage stocks during the past winter has been an important factor in the strength shown in hog prices in recent weeks, as the supply of hog products available for consumption in the summer season consists partly of products from current hog marketings and partly from products placed in storage during the winter and spring. Thus, while hog slaughter in May and June this year was considerably larger than a year earlier, the net-out-of-storage movement in these months was smaller.

Exports of pork and lard increase materially in 1937-38

In each month thus far in the current hog marketing year, exports of both pork and lard exceeded exports in the corresponding month of 1936-37. For the period October through May, total pork exports amounting to about 58 million pounds, were nearly 18 million pounds larger than those of a year earlier. In the same period of 1937-38 lard exports totaled about 148 million pounds and were the largest for the period since 1933-34. Most of the increase in lard exports over a year earlier was accounted for by the increase in shipments to Great Britain and Cuba, the former country taking 50 million pounds more than in 1936-37; exports to Cuba were about 10 million pounds larger.

Exports of pork and lard, imports of pork, and dressed weight
of federally inspected hog slaughter, October to May,
average 1929-30 to 1933-34, annual, 1934-35 to 1937-38

Item	: Average :				
	: 1929-30	: 1934-35	: 1935-36	: 1936-37	: 1937-38
	: to 1933-34:	:	:	:	:
	: Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.
Pork exports	121	76	42	40	58
Lard exports	435	125	68	72	148
Pork imports	3	3	17	44	40
Dressed weight of	:				
federally inspected	:				
slaughter	5,378	3,833	3,606	4,305	4,241
Lard production	1,115	619	576	660	699

Imports of pork reduced in 1938

Pork imports have been reduced fairly sharply since last fall, and in every month since November they have been smaller than in the corresponding month a year earlier. In 1937 nearly 75 million pounds of pork were imported, compared with 42 million pounds in 1936 and only 10 million pounds in 1935. In the first 5 months of 1938 pork imports totaled about 24 million pounds compared with about 31 million pounds in the same months last year. Although imports of pork in the past 3 years have been much larger than in earlier years, they still represent only a very small proportion of the total supply available in this country. The bulk of such imports in the past 2 years has been canned hams, largely from Poland, and to a minor extent from other European countries.

The increase in exports of pork and lard and the decrease in imports of pork in the past 6 or 8 months probably reflects largely the greater decline in prices of hogs and hog products in the United States than in foreign countries.

With prospects of larger supplies of hogs in the United States in the coming marketing year, it is expected that exports of pork and lard will tend to increase and that imports will continue to decrease. The European demand for American hog products in the coming year may be strengthened somewhat as a result of prospective reduction in hog slaughter in several European countries. The trade in hogs and hog products between surplus and deficit countries of Europe may be restricted to some extent by the prevalence of an unusually severe epidemic of foot-and-mouth disease in Europe. It is probable, however, that quota restrictions and foreign exchange difficulties in some countries will continue to be the limiting factors to increased exports of hog products to European countries.

OUTLOOK

1938 spring pig crop 13 percent larger than that of 1937

According to the June 1 Pig Crop Report recently released by this Bureau, the spring crop this year was estimated to be 13 percent larger than that of last year. In the North Central States (Corn Belt) the increase over last year was 14 percent. The increase in the Western Corn Belt, where hog production has been most sharply curtailed in recent years because of droughts, was 17 percent. For the country as a whole, the spring pig crop this year was the largest in 5 years (since 1933), although it was much smaller than in any of the 10 years preceding 1934.

Spring pig crop in the United States and North Central States, 1932-38

Year	North Central States			Other States	United States
	East	West	Total		
	Thou- sands	Thou- sands	Thou- sands	Thou- sands	Thou- sands
1932.....	12,237	27,470	39,707	11,324	51,031
1933.....	13,475	28,462	41,937	11,523	53,460
1934.....	10,202	20,206	30,408	9,290	39,698
1935.....	8,880	14,597	23,477	8,961	32,438
1936.....	10,497	19,899	30,396	10,838	41,234
1937.....	10,621	16,869	27,490	10,934	38,424
1938.....	11,773	19,664	31,437	11,947	43,384
:					
:					
:					

The number of sows to farrow in the fall season of 1938 (June 1 to December 1) is indicated to be 9 percent larger than the number farrowed last fall. In the Corn Belt the indicated increase in fall farrowings over last year is 11 percent. These indications of fall farrowings are based upon interpretation of breeding intentions reported by farmers about June 1. If the number of sows farrowed this fall proves to be about as indicated and if the average number of pigs saved per litter is about the same as last fall, the 1938 pig crop - spring and fall crops combined - will total about 69 million head, which is about 7 million head or 12 percent larger than that of 1937.

Sows farrowed in the fall season, 1936-38

Year	North Central States			Other States	United States
	East	West	Total		
	Thou- sands	Thou- sands	Thou- sands		
1936.....	1,178	1,062	2,240	1,617	3,857
1937.....	1,098	1,092	2,190	1,563	3,753
1938 1/	1,205	1,218	2,423	1,679	4,102

1/ Number indicated to farrow based upon breeding intentions reported about June 1.

The rather marked upswing in hog production this year reflects the present low level of production in many areas in conjunction with abundant supplies of feed, and the rather high hog prices of the past 8 or 9 months in relation to corn prices. The hog-corn price ratio since last September has been much above average and nearly twice as high as that of a year earlier. If crop conditions this year continue favorable, the indicated 9 percent increase in the number of sows to farrow this fall probably will be fully realized. If the hog-corn price ratio continues near present levels in the next few months and another good crop of corn is harvested this year, a further sharp increase in hog production in 1939 is to be expected.

The June Pig Crop Report also indicated that the number of hogs over 6 months old on farms June 1 in the entire country was but little different from that of a year earlier. In the Corn Belt there was an increase of about 2 percent, but this was about offset by decreases in other regions. With an increase of 349,000 head in the indicated number of sows to farrow this fall, the number of other hogs over 6 months old in the United States on June 1 was about 2 percent smaller than a year earlier.

Larger hog marketings than year earlier probable for July - September

The number of hogs on farms over 6 months old, excluding sows bred for fall farrow, usually represents a large proportion of the number that will be available for market in the next 3 or 4 months. Last year, because of the shortage and high prices of feed during the summer months, a relatively large number of the hogs over 6 months old on farms June 1 were held for finishing on new crop grains and were marketed after October 1. This year with feed supplies much more plentiful and prices of feed much lower, it is expected that the hogs on farms over 6 months old on June 1, excluding sows bred for fall farrow, will be marketed largely by the end of September. The market movement of spring pigs before October 1 also may be larger than that of a year earlier. Hence, it seems probable that hog marketings in the next 3 months will be larger than the small marketings in that period last year. Marketings in these 3 months, however, are expected to be smaller than in April, May and June of this year.

On the basis of present indications it appears probable that inspected hog slaughter for the present marketing year ending September 30, will total between 33 and 34 million head compared with slightly more than 34 million last year. In the annual hog outlook given in the November 1937 issue of this report it was stated that inspected hog slaughter for the present marketing year probably would be between 32 and 33 million head. In the January and subsequent issues of the Hog Situation report it was stated that slaughter for the year might be as large as 34 million head.

Larger marketings expected in 1938-39

With the spring pig crop considerably larger than that of last year and indications that the fall pig crop also will be larger, it is expected that market supplies of hogs in the marketing year, beginning in October 1938, will be materially larger than in the present marketing year. The spring pig crop is normally marketed mostly in the fall and winter months, hence marketings in the period from October through April probably will be considerably larger than in the corresponding months of 1937-38. Since the outturn of corn and other feed crops will have an important bearing on both the size of the fall pig crop, and the seasonal changes in marketings more definite indications of total marketings of hogs in 1938-39 and of the seasonal changes within the year will be given in subsequent issues of this report, after the end of crop growing season.

A fairly large seasonal increase in hog marketings in the coming fall and early winter appears probable in view of larger spring pig crop this year than last. The percentage increase in hog slaughter from August through January, however, may be no larger and perhaps will be smaller than the increase in the same period last year. The increase in supplies after late summer probably will be from a higher level than last year, but they probably will reach a level as high as, or higher than, in December and January 1937-38.

In a number of years when feed supplies have been abundant and the hog-corn price ratio relatively high, as they have been in the present year, there has been a tendency to delay marketings by feeding to heavy weights. As a result, marketings in the first quarter (October - December) of the year usually have been a relatively small proportion of the yearly total. Also in some of those years, market supplies in the second quarter of the marketing year have exceeded supplies in the first quarter, whereas in most other years they are about the same. Despite the fact that the hog-corn price ratio has been high and feed supplies plentiful in the current year, marketings in the first quarter probably represented about an average or below average proportion of the yearly total, and they were no larger in the second quarter. The fact that supplies in the first quarter were larger than otherwise would have been expected may have been due partly to the fact that a fairly large number of hogs marketed in that period ordinarily would have been marketed in the preceding marketing year. The unusually marked price discrimination against heavy hogs last fall and winter also may have been a contributing factor.

In the coming marketing year, which begins October 1, it is not expected that marketings in the first quarter will include many hogs which would normally be marketed in the preceding marketing year as was the case in the first quarter of 1937-38. Hence, if the hog-corn price ratio continues relatively high, as now appears probable, it may be that marketings in the second quarter of 1938-39 (January - March) will be somewhat larger than in the first quarter.

Prospects for hog prices in 1938-39

The level of hog prices in 1938-39 will depend partly upon market supplies and partly upon the level of consumer demand for meats. As already indicated hog marketings in the 1938-39 marketing year will be materially larger than in the present year. It is probable, however, that consumer demand for meats will average stronger than in 1937-38, but in the early months of 1938-39 it may be weaker than a year earlier and improve as the year progresses. Storage and export demand for hog products next winter may be better than a year earlier. Whether demand will improve sufficiently to offset the effect on prices of the increase in supplies cannot now be indicated. It is possible, however, that the average price of hogs in 1938-39 will not be much lower than in 1937-38, and unless a substantial improvement in consumer demand occurs, hog prices in 1938-39 will average considerably lower than in 1937-38.

The domestic demand for hog products weakened considerably after the late summer of last year. This was a reflection of sharp drop in consumer incomes. From August through May incomes of industrial workers were reduced about 30 percent. At the present time there are some indications of recovery in industrial activity, employment and payrolls. A marked improvement in consumer demand for hog products, however, may not occur until after the beginning of 1939.

Hog prices have advanced moderately since early May. In mid-July the weekly average price of hogs at Chicago was about \$8.75. Some further moderate rise in prices may occur in the next few weeks, but there is little likelihood that hog prices this summer will reach as high a level as a year earlier. With a fairly large seasonal increase in hog marketings in prospect for the fall and early winter months, hog prices are expected to decline during this period. The drop in prices after August this year, however, may be from a considerably lower level than was the decline which occurred from mid-August to mid-December last year, when the weekly average at Chicago dropped from about \$12.40 to slightly less than \$8. The prospective strengthening in demand conditions in the last half of 1938 may tend to offset in part the effects on prices of the seasonal increase in market supplies. In the last half of 1937 a large seasonal increase in hog marketings was accompanied by considerable weakness in consumer and storage demand for hog products. Consequently, it appears probable that the seasonal decline in hog prices from the high point of this summer will be relatively less than the drop in prices that occurred in the late summer and fall last year.

Prices of hogs and hog products, specified periods

	:	:	:	:	:	Oct.-	Sept.	:	Oct.-	June
	:	:	June	May	June	Average:	:	:	:	:
Item	:	Unit	1937	1938	1938	1928-29:	1935-	1936-	1936+	1937-
	:	:	:	:	:	to	36	37	37	38
	:	:	:	:	:	1932-33:	:	:	:	:
<hr/>										
	:	Dollars:								
Average price:	:	per 100:								
Seven markets	:	pounds	10.84	7.98	8.40	<u>1/</u>	9.64	10.28	9.93	8.37
Chicago	:	do.	11.04	8.20	8.52	6.99	9.90	10.49	10.13	8.56
	:	:								
U. S. average price	:	:								
received by farmers....	:	do.	9.97	7.35	8.00	6.48	9.15	9.66	9.24	8.05
	:	:								
Prices of hog products,:	:	:								
Chicago:	:	:								
Loins, 8-10 lb. ...	:	do.	24.40	20.22	20.64	17.07	21.21	22.29	20.36	18.84
Hams, smoked, reg.	:	:								
No.1 10-12 lb.	:	do.	25.42	23.00	23.25	20.31	26.58	24.65	23.69	23.57
Bacon, smoked No.1,	:	:								
dry cured, 6-8 lb. :	:	do.	28.45	24.62	25.55	23.71	30.86	28.58	27.38	27.74
Lard, refined,	:	:								
H. W. tubs	:	do.	13.25	9.25	9.38	9.68	12.65	13.13	13.10	10.13
	:	:								
Average price of No.3	:	Cents :								
Yellow corn, Chicago	:	per lb.:	122	58	57	62	74	115	117	58
	:	:								
Hog-corn price ratio: <u>2/</u>	:	:								
Chicago	:	Bushel	9.0	14.2	14.9	11.6	14.1	9.2	8.7	14.7
North Central States:	:	do.	9.1	15.8	17.5	12.9	15.8	9.5	8.9	17.4
	:	:								
Proportion of packing	:	:								
sows in total packer	:	:								
and shipper purchases,:	:	:								
seven markets <u>3/</u>	:	Percent:	25.0	6.0	22.0	<u>1/</u>	16.0	15.0	8.0	7.7
	:	:								
Average weight at seven:	:	:								
markets	:	Pound	249	247	265	<u>1/</u>	241	231	223	242
	:	:								
	:	:								

1/ Not available.2/ Number of bushels of corn equivalent in value to 100 pounds of live hogs.3/ Monthly figures computed from weekly averages.

Supplies of hogs and hog products, specified periods

Item	Unit	Oct.-Sept.					Oct.-May		
		: May	: Apr.	: May	: Average:	:	:	:	:
		: 1937	: 1938	: 1938	: 1928-29:	: 1935-:	: 1936-:	: 1936-:	: 1937-
		:	:	:	: to	: 36	: 37	: 37	: 38
		:	:	:	: 1932-33:	:	:	:	:
Hog slaughter	:	:	:	:	:	:	:	:	:
under Federal	:	:	:	:	:	:	:	:	:
inspection:	:	:	:	:	:	:	:	:	:
Number	: Thou-	:	:	:	:	:	:	:	:
slaughtered <u>1/</u>	: sands	: 2,099	: 2,462	: 2,585	: 46,363	: 31,022	: 34,142	: 26,767	: 24,655
Live weight:	:	:	:	:	:	:	:	:	:
Average.....	: Pound	: 221	: 230	: 235	: 231	: 232	: 221	: 216	: 229
Total.....	: Mil.lb.	: 463	: 565	: 608	: 10,723	: 7,191	: 7,538	: 5,785	: 5,655
Dressed weight:	:	:	:	:	:	:	:	:	:
Average	: Pound	: 166	: 173	: 178	: 175	: 175	: 164	: 161	: 172
Total.....	: Mil.lb.	: 346	: 426	: 459	: 8,069	: 5,402	: 5,586	: 4,305	: 4,241
Yield of lard per:	:	:	:	:	:	:	:	:	:
100 pounds live	:	:	:	:	:	:	:	:	:
weight of hogs	: Pound	: 11.0	: 13.3	: 13.4	: 15.2	: 12.1	: 10.9	: 11.4	: 12.4
Production of	:	:	:	:	:	:	:	:	:
lard	: Mil.lb.	: 51	: 75	: 81	: 1,630	: 870	: 833	: 660	: 741
Apparent	:	:	:	:	:	:	:	:	:
consumption:	:	:	:	:	:	:	:	:	:
Pork, including	:	:	:	:	:	:	:	:	:
lard <u>2/</u>	: do.	: 440	: 452	: 482	: 7,171	: 5,124	: 5,601	: 3,842	: 3,856
Lard	: do.	: 52	: 59	: 59	: 961	: 712	: 756	: 495	: 500
Exports: <u>3/</u>	:	:	:	:	:	:	:	:	:
Pork.....	: do.	: 6	: 7	: 9	: 211	: 69	: 59	: 40	: 58
Lard	: do.	: 14	: 16	: 20	: 657	: 101	: 107	: 72	: 148
Imports of pork <u>3/</u>	: do.	: 6	: 5	: 6	: 6	: 32	: 72	: 44	: 40
Proportion of sows	:	:	:	:	:	:	:	:	:
in inspected	:	:	:	:	:	:	:	:	:
slaughter <u>4/</u>	: Percent	: 51.5	: 47.0	: 49.6	: 51.2	: 51.9	: 51.1	: 49.3	: 47.5

1/ Bureau of Animal Industry.

2/ Represents apparent disappearance of federally inspected pork plus unrendered hog fats.

3/ United States Department of Commerce. Pork includes bacon, hams and shoulders, and fresh, canned, and pickled pork. Lard includes neutral lard.

4/ Includes gilts.

HOG-CORN PRICE RATIOS AND HOG MARKETINGS

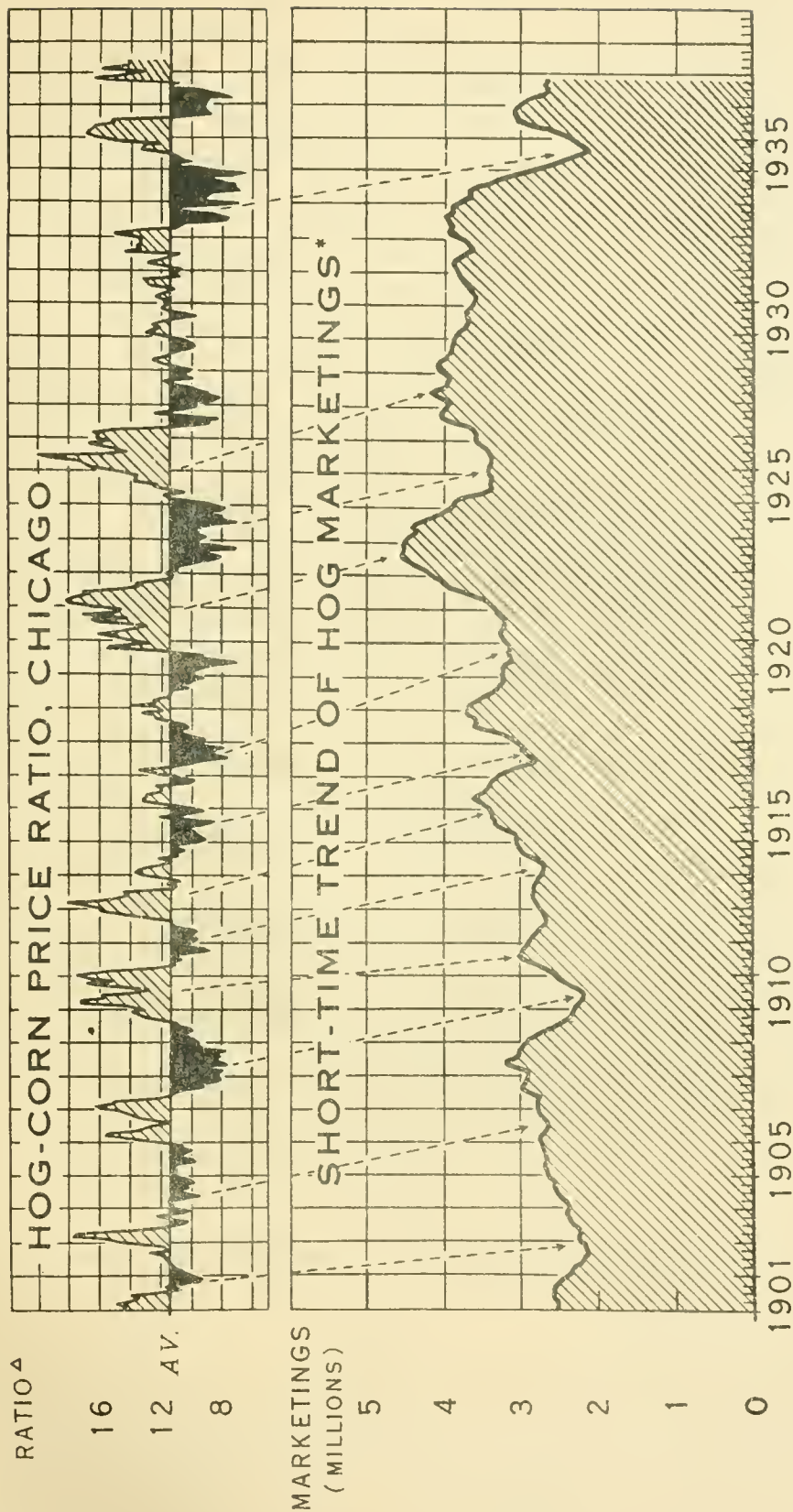
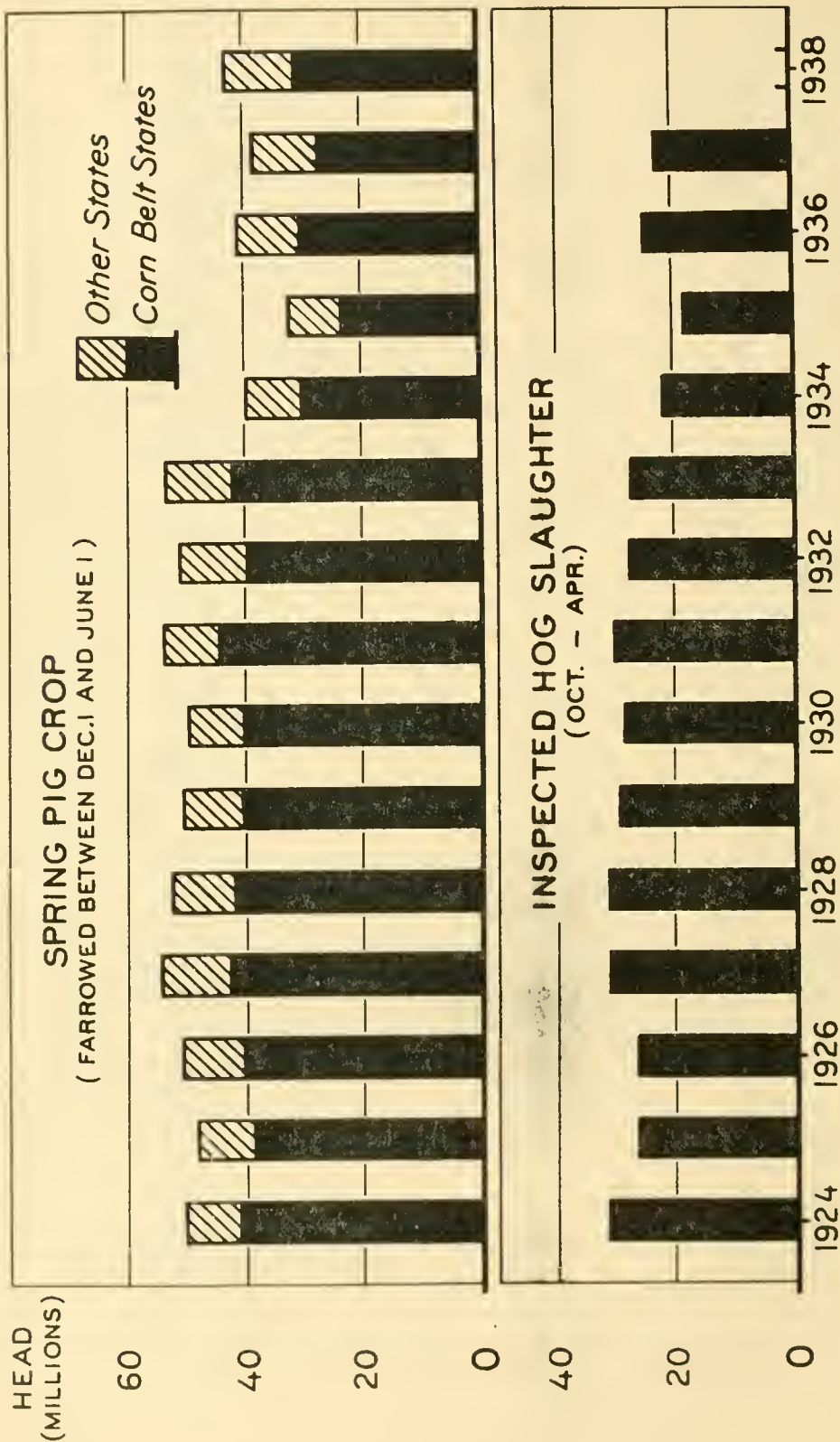


FIGURE 1

SPRING PIG CROP, AND FEDERALLY INSPECTED HOG SLAUGHTER DURING FOLLOWING OCT.-APR., UNITED STATES, 1924 TO DATE



U. S. DEPARTMENT OF AGRICULTURE

NEG. 31411

BUREAU OF AGRICULTURAL ECONOMICS

FIGURE 2.- THE 1938 SPRING PIG CROP WAS 13 PERCENT LARGER THAN THE SPRING CROP OF 1937, WITH A LARGE PART OF THE INCREASE OCCURRING IN THE CORN BELT. THE LARGER SPRING PIG CROP THIS YEAR WILL BE REFLECTED IN INCREASED SLAUGHTER SUPPLIES OF HOGS IN THE FIRST HALF OF THE COMING MARKETING YEAR WHICH BEGINS OCTOBER 1.